

	MISSOURI DEPARTMENT OF HEALTH AND SENIOR SERVICES CHILD AND ADULT CARE FOOD PROGRAM	ISSUED	REVISED	CHAPTER	SECTION
	Sponsoring Organizations of Homes POLICY & PROCEDURE MANUAL	12/90	6/15	9	9.3
CHAPTER Chapter 9. Tiering/Eligibility Guidance		SUBJECT Use of School Data/Documentation Requirements			

The Sponsoring Organization (SO) may consult school information to determine eligibility of family child care homes for tier I reimbursement, except in areas where school data is not indicative of the socioeconomic conditions of the area due to school busing policies, the existence of charter or magnet schools, etc. MDHSS-CFNA will keep SOs informed of areas where school data may not be used. By February 1 each year, the Missouri Department of Elementary and Secondary Education (DESE) is required to provide MDHSS-CFNA with an annual listing of elementary schools in the state in which at least 50% of enrolled children are eligible to receive free or reduced price school meals. MDHSS-CFNA is, in turn, required to provide the SO with such information annually by February 15.

Effective June 30, 2004, the SO's determination that a family child care home is eligible to receive tier I reimbursement rates based on school data is valid for five years. Thus, the tiering status of newly participating homes, with signed agreements, effective on or after June 30, 2004, will be redetermined in five years. The tiering status of currently participating family child care homes, with signed agreements, prior to June 30, 2004, whose tiering status is based on a three-year redetermination cycle, may be extended by two years for a total of five years. If the SO chooses to extend the cycle, it must apply the methodology consistently to all affected, eligible family child care homes.

The SO, MDHSS-CFNA, or Food and Nutrition Service (FNS) may change the tier I determination if information becomes available that the provider is no longer in a qualified area. However, MDHSS-CFNA does not routinely require annual redeterminations based on updated elementary school data. When determining the status of new providers entering the CACFP, the SO is required to use the most recent data available. Even though this could result in two providers in the same neighborhood with different classifications, the SO is not required to reevaluate the tiering status until the expiration of the five-year period.

The SO may elect to annually re-classify Tier I providers that are currently eligible based on school data. However, if the SO chooses to do so in an effort to extend the eligibility time-frame, the following two requirements must be met: 1) the SO must be consistent and apply the annual re-classification process to all providers whose eligibility is based on school data; and 2) the SO must document this practice and the methodology used in its management plan for pre-approval by the MDHSS-CFNA. The application of consistency requires that the SO apply the new school data to all Tier I providers who are eligible on the basis of school data, even if it causes some providers to lose their tier I status prior to the normal expiration date. The SO cannot re-classify only a select few providers that are close to the 50% cutoff and may be in danger of losing this classification in the near future.

Written communication from USDA in March 2002 discourages the practice of annual re-classification of such providers. For one reason, it could make some providers ineligible one or two years before the required five year effective time period expired, thereby making them ineligible for tier I rates during this time period. For another reason, it would increase the SO workload and entail time that could be utilized more effectively in other areas of program management, such as training and monitoring providers.

SOs may choose to re-evaluate Tier I census and income homes and Tier II homes on an annual basis when new school data is made available, in the event that these homes may become eligible for Tier I rates on the basis of new school data.

The following example addresses the impact on meal reimbursement when an individual not living in the home provides childcare. When a child care home is licensed by Individual A who hires Individual B to provide child care in Individual A's home, Individual A's home is the appropriate one to consider for purposes of tier I eligibility, when tiering can be established based on school data. Refer to Section 9.10 of this chapter for additional guidance on absent providers.

Do not use school data, but refer to census data to establish tier I eligibility in the following circumstances:

- 1) When busing or magnet or charter schools exist and therefore, school attendance may not reflect the area's socioeconomic status.
- 2) If the SO is unable to obtain local elementary school attendance information after making reasonable efforts.
- 3) When the school's free and reduced enrollment is above 40%.

Do not use school data, but verify household income to establish tier I eligibility in the following circumstance:

- 1) When the provider's home is located in an affluent area within the attendance area of an eligible school.

#### Documentation Requirements for Use of School Data for Tier I eligibility:

The SO must maintain written documentation on file that includes the name of the elementary school and verification that the associated percentage of children eligible to receive free and reduced price school meals is at least 50%. This source of verification of the qualifying percentage can be obtained from either the annual listing provided by MDHSS-CFNA with the affected school listed or written documentation from a school official. In addition, the SO must have written confirmation that the provider's address is within the school's jurisdiction. This can be in the form of either a letter, dated and signed by the school official, or documentation of a phone call with a school official including the same information, date and name of the school official consulted. The SO must sign and date the verification documentation. The same verification/documentation process is required for re-verification every five (5) years.

When a provider is determined to be Tier I eligible by school, in order to be able to claim her/his own child(ren), the provider must complete an Income Eligibility Form and qualify accordingly.